

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Lifeline and Link Up Reform and Modernization)	WC Docket No. 11-42
)	
Telecommunications Carriers Eligible for Universal Service Support)	WC Docket No. 09-197
)	
Connect America Fund)	WC Docket No. 10-90

COMMENTS OF CASTLEBERRY TELEPHONE COMPANY, INC.

Castleberry Telephone Company, Inc. (“Castleberry”)¹ submits these Comments in response to the Federal Communications Commission’s (the “Commission”) Second Further Notice of Proposed Rulemaking in the above-styled dockets, inviting comment on the inclusion of broadband services into the Lifeline Program and ways to streamline the eligibility process for Lifeline applicants.

Summary

Determinations of eligibility for Lifeline benefits should be made by a national verifier. ETCs should not be required to provide broadband services to Lifeline subscribers in addition to voice services at the same or comparable current subsidy.

¹ Castleberry Telephone Company, Inc. (SAC 250285) is a rural telephone company, as defined under 47 U.S.C. 153(37), authorized by the Alabama Public Service Commission to provide service as an incumbent local exchange carrier (“ILEC”) to subscribers within its designated service area in Conecuh County, Alabama, since 1905, and has maintained its status as an eligible telecommunications carrier (“ETC”), offering Lifeline services to subscribers since receiving its ETC designation. Castleberry serves approximately 670 Alabama residents, including 65 Lifeline subscribers, with basic local exchange service. Long distance, Digital Subscriber Line (“DSL”) and operator services are available to Castleberry subscribers through the facilities of other certificated carriers in Castleberry’s service area.

Third Party Determinations of Lifeline Eligibility

The current regulatory process for determining a subscriber's eligibility for Lifeline benefits and the requirements imposed on ETCs to maintain and secure the personal information submitted in support of such eligibility are significant and burdensome. The present schema, while curtailing waste and abuse at the federal level, has imposed a considerable administrative burden at the very lowest level on the providers of telecommunications services themselves and further exposes the providers to onerous enforcement actions should they fail to properly evaluate and securely maintain such sensitive consumer information. For the smallest of the ILECs, such as Castleberry, which provide service in some of the most remote areas of this country, the burden is particularly acute. Castleberry's resources are limited, and the company would benefit greatly from the changes to the Lifeline Program's administration being considered by the Commission.

Castleberry agrees with the Commission's proposal to shift the responsibility for making determinations of subscriber eligibility for Lifeline benefits from the ETCs to a national third party verifier, which would have the ability to both review a consumer's eligibility documentation and certification forms and interface with the government agencies and programs through which Lifeline eligibility is established in order to verify eligibility. Such a proposal would be particularly welcome in states such as Alabama, which has not yet established its own eligibility database and has no present plans to do so. As suggested, the national verifier should also have access to the National Lifeline Accountability Database ("NLAD") to ensure that a Lifeline participant is not receiving duplicate benefits.

Castleberry encourages the Commission to adopt a process by which prospective Lifeline participants and current enrollees recertifying their continuing eligibility to receive Lifeline benefits could submit all required eligibility documentation directly to the national verifier electronically or by traditional mail, to facilitate access by all persons in need of service, and obtain approval for Lifeline prior to contacting a provider for service. Once approved, the applicant could receive a portable benefit to be used with any Lifeline service provider, and the selected ETC would be required to notify the national verifier of the subscriber's subsequent enrollment in the Lifeline Program. The national verifier would, in turn, assume responsibility for updating the NLAD, transitioning that responsibility away from the ETC. The ETC's obligation to retain existing consumer eligibility documentation would cease one year after the national verifier became operational, to ensure that existing Lifeline participants have recertified their continuing eligibility to receive benefits and provided documentation in support thereof on a one-time basis to the national verifier.

Castleberry is opposed to the Commission's proposal to require Lifeline providers to reimburse the Universal Service Fund for part or all of the operations of the national verifier. To do so would further drain the ETCs' available resources and effectively place them back in the same position they are in under the present regulatory scheme. For the rural ILECs, in particular, universal service funding is critical to sustaining operations and maintaining financial viability. Should the Commission impose an additional charge on the ETCs to fund the national verifier's operations, Castleberry would be required to either pass the charge through to its subscribers, or absorb the cost, neither of which is a viable option, given the limited resources available to both.

Inclusion of Broadband Services in Lifeline Benefits

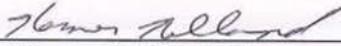
Castleberry urges the Commission to ensure that any establishment of minimum service levels for both data-only broadband and voice services under the Lifeline Program does not impose an obligation on ETCs to provide additional facilities without the requisite funding. Castleberry's network facilities do not support DSL offerings, but such services are made available to all Castleberry subscribers through agreements with other certificated carriers in Castleberry's service area. Any requirement to make an "evolving level" of telecommunications services available to an ETC's low-income subscribers in service territories such as Conecuh County, Alabama, will necessitate an investment in the entire infrastructure, which will not be supported by either the existing or future customer base.² The current subsidy is thus insufficient to support the inclusion of broadband services in Castleberry's service area.

Conclusion

Castleberry supports the Commission's proposal to further streamline the Lifeline Program's eligibility process through the use of a national third party verifier. Castleberry respectfully asks the Commission to avoid the imposition of additional administrative and financial burdens on ETCs such as Castleberry through the expansion of the Lifeline Program and to assist the ETCs in sustaining services to all subscribers.

² The United States Census Bureau's QuickFacts for Conecuh County, Alabama, estimate the population as 12,670 for the year 2014, with a percentage change in population from April 1, 2010 to July 1, 2014, of -4.2%. The median household income for the years 2009-2013 is \$24,658.00. In 2010, Conecuh County had 850.16 square miles, with 15.6 persons per square mile. <http://quickfacts.census.gov/qfd/states/01/01035.html>.

Respectfully submitted,

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